

COMMUNITY DEVELOPMENT REVOLVING LOAN FUND



PRELIMINARY & UNAUDITED FINANCIAL HIGHLIGHTS

May 31, 2020

A handwritten signature in dark ink, appearing to read 'E. H. Schied', is positioned below the date.

**EUGENE H. SCHIED
ACTING CHIEF FINANCIAL OFFICER**

**NATIONAL CREDIT UNION ADMINISTRATION
COMMUNITY DEVELOPMENT REVOLVING LOAN FUND**

**MANAGEMENT OVERVIEW
May 31, 2020**

Background

The Community Development Revolving Loan Fund (CDRLF) was established by an act of Congress (Public Law 96-123, November 20, 1979) to stimulate economic development in low-income communities. The Community Development Credit Union Transfer Act (Public Law 99-609, November 6, 1986) transferred CDRLF administration to the NCUA. The NCUA Board adopted amendments to Part 705 of NCUA Rules and Regulations on September 16, 1987, and began making loans/deposits to participating credit unions in 1990.

The purpose of the CDRLF is to stimulate economic activities in the communities served by low-income credit unions which will result in increased income, ownership and employment opportunities for low-wealth residents, and other economic growth. The policy of the NCUA is to revolve the loans to qualifying credit unions as often as practical in order to gain maximum impact on as many participating credit unions as possible.

Balance Sheet

Between May 2019 and May 2020, cash and cash equivalents increased by \$1.0 million, primarily due to:

- a. received \$1.5 million in appropriations from Congress,
- b. received \$2.3 million in loan principal and interest payments,
- c. disbursed \$1.5 million in new loans, and
- d. disbursed \$1.5 million in technical assistance grants.

Between May 2019 and May 2020, loans receivable decreased \$0.9 million as a result of six new loans issued less seven loan maturities.

Statements of Revenues, Expenses, and Changes in Fund Balance

During May 2020, the fund awarded 25 urgent need awards totaling \$159 thousand through the revolving fund and 64 emergency fund awards totaling \$627 thousand through the multi-year fund. The fund also earned approximately \$4 thousand in interest revenue.

**NATIONAL CREDIT UNION ADMINISTRATION
COMMUNITY DEVELOPMENT REVOLVING LOAN FUND
BALANCE SHEETS
As of May 31, 2020 and 2019
(Dollars in thousands)**

	May 2020	May 2019
ASSETS		
Cash and Cash Equivalents	\$ 14,267	\$ 13,307
Loans Receivable	6,030	6,935
Interest Receivable	10	11
TOTAL ASSETS	\$ 20,307	\$ 20,253
 LIABILITIES AND FUND BALANCE		
Accrued Technical Assistance Grants	\$ 4,321	\$ 2,573
Fund Balance		
Fund Capital	14,564	15,750
Accumulated Earnings	1,422	1,930
Total Fund Balance	15,986	17,680
TOTAL LIABILITIES AND FUND BALANCE	\$ 20,307	\$ 20,253

The balances in the statement above are preliminary and unaudited

**NATIONAL CREDIT UNION ADMINISTRATION
COMMUNITY DEVELOPMENT REVOLVING LOAN FUND
STATEMENTS OF OPERATIONS
For the Periods Ended May 31, 2020 and 2019
(Dollars in thousands)**

	<u>May 2020</u>	<u>Year-to-Date May 2020</u>	<u>Year-to-Date May 2019</u>
REVENUES			
Interest on Cash Equivalents	\$ 1	\$ 29	\$ 72
Interest on Loans	3	15	17
Appropriations Used	627	1,111	-
Canceled Technical Assistance Grants		(176)	(75)
TOTAL REVENUE	<u>631</u>	<u>979</u>	<u>14</u>
EXPENSES			
Technical Assistance Grants	786	1,676	18
Canceled Technical Assistance Grants	-	(193)	(76)
Provision for Loan Losses	-	-	-
TOTAL EXPENSES	<u>786</u>	<u>1,483</u>	<u>(58)</u>
NET INCOME / (LOSS)	<u>\$ (155)</u>	<u>\$ (504)</u>	<u>\$ 72</u>

The balances in the statement above are preliminary and unaudited

NATIONAL CREDIT UNION ADMINISTRATION
COMMUNITY DEVELOPMENT REVOLVING LOAN FUND
STATEMENT OF CHANGES IN FUND BALANCE
For the Periods Ended May 31, 2020 and December 31, 2019
(Dollars in thousands)

	<u>For Loans</u>	<u>Fund Capital For Technical Assistance</u>	<u>Total Fund Capital</u>	<u>Accumulated Earnings</u>	<u>Total Fund Balance</u>
December 31, 2018	\$ 13,388	\$ 287	\$ 13,675	\$ 1,858	\$ 15,533
Appropriations Received		2,000	2,000		2,000
Appropriations Used		(1,983)	(1,983)		(1,983)
Canceled Appropriations - Returned to Treasury		(33)	(33)		(33)
Canceled Technical Assistance Grants		340	340		340
Net Income / (Loss)				68	68
December 31, 2019	<u>\$ 13,388</u>	<u>\$ 611</u>	<u>\$ 13,999</u>	<u>\$ 1,926</u>	<u>\$ 15,925</u>
Appropriations Received		1,500	1,500		1,500
Appropriations Used		(1,111)	(1,111)		(1,111)
Canceled Appropriations - Returned to Treasury			-		-
Canceled Technical Assistance Grants		176	176		176
Net Income / (Loss)				(504)	(504)
May 31, 2020	<u>\$ 13,388</u>	<u>\$ 1,176</u>	<u>\$ 14,564</u>	<u>\$ 1,422</u>	<u>\$ 15,986</u>

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